STAND. COM. REP. NO. 1913

Honolulu, Hawaii

APR 0 5 2019

RE: H.B. No. 622

H.D. 2 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 622, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC CHARTER SCHOOLS,"

begs leave to report as follows:

The purpose and intent of this measure is to establish certain requirements and restrictions relating to charter schools.

Specifically, this measure:

- (1) Requires that if federal criminal charges are filed against an employee of a charter school for actions taken in the course of employment, public funds that have been disbursed to the school shall be transferred to the State Public Charter School Commission;
- (2) Provides that funds appropriated to a charter school shall remain in the state treasury until certain requirements are met;
- (3) Provides that authorizers may conduct or require audits and makes authorizers responsible for the selection of independent auditors to complete each charter school's annual financial audit;

- (4) Requires authorizers to develop and maintain a system of banking accounts that charter schools shall exclusively use to receive and expend federal and state funds;
- (5) Prohibits individuals from serving on the Board of Education or the State Public Charter School Commission if they were affiliated with any public charter schools within the four years preceding the appointment to the board or commission; and
- (6) Prohibits an authorizer from simultaneously serving at or for a public charter school authorized by that authorizer.

Your Committee received written comments in support of this measure from one individual.

Your Committee received written comments in opposition to this measure from the Office of the Governor, Waimea Middle School, Kualapuu Public Conversion Charter School, Connections Public Charter School, Halau Ku Mana Public Charter School, and two individuals.

Your Committee received written comments on this measure from the Office of Hawaiian Affairs, Board of Education, and State Public Charter School Commission.

Your Committee finds that it is prudent for the State to impose appropriate mechanisms for accountability and oversight of public charter schools.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 622, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

DONOVAN M. DELA CRUZ, Cha

The Senate Thirtieth Legislature State of Hawaiʻi

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:* HB622, HD2, SD1	Committee EDU, W	_	Dat 2	ie: >/28	/19
The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)		X			
KEITH-AGARAN, Gilbert S.C. (VC)		χ			
ENGLISH, J. Kalani		X			
HARIMOTO, Breene		χ			
INOUYE, Lorraine R.		X			
KAHELE, Kaiali'i		Y			
KANUHA, Dru Mamo		X			
KIDANI, Michelle N.		χ	·		
MORIWAKI, Sharon Y.		X			
RIVIERE, Gil		X			
SHIMABUKURO, Maile S.L.		•			X
TANIGUCHI, Brian T.					X
FEVELLA, Kurt				У	
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TOTAL		10		l	2
Recommendation: X Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

^{*}Only one measure per Record of Votes